

MINUTES
SPECIAL MEETING
LEXINGTON COUNTY COUNCIL
May 29, 2003

Lexington County Council held a special meeting on Thursday, May 29, 2003, in Council Chambers, beginning at 6:00 p.m. The purpose of the meeting was to receive public comment and to vote on a millage rate increase for Solid Waste Management. Chairman Davis presided.

Members attending:	George H. Smokey Davis	William C. Billy Derrick
	Bobby C. Keisler	Johnny W. Jeffcoat
	Joseph W. Joe Owens	M. Todd Cullum

Also attending: Art Brooks, County Administrator; Larry Porth, Finance Director/Deputy County Administrator; Katherine Doucett, Personnel Director/Deputy County Administrator; Jeff Anderson, County Attorney; other staff members, citizens of the county and representatives of the media.

In accordance with the Freedom of Information Act, a copy of the agenda was sent to radio and TV stations, newspapers, and posted on the bulletin board located in the lobby of the County Administration Building.

Due to a malfunction in the recording system, part of the tape could not be transcribed. The first part of the meeting involved whether or not to actually continue with the meeting if members of Council had made up their minds on how they would vote. Mr. Derrick encouraged Council to continue with the meeting, to give staff a chance to present the case.

Discussion among Council members and Mr. Porth ensued.

The part of the tape that can be transcribed is a discussion between Mr. Cullum and Mr. Porth about the closure of the landfill and the need to put funds aside for the closure.

Mr. Cullum stated that putting funds aside has been put off for a period of time and it was incumbent upon Council to start putting funds aside for the closure.

Mr. Porth stated that if it was operated as a private landfill they would have to do those same things. He stated that anything that is done on a large enough scale at the county we should be able to do it competitively with the private sector for two reasons - we don't have to pay income tax, we don't have to provide a return to our investors. Other than that, are we less efficient than the private sector is. On a lot of things we do a small amount of something so we do privatize and that makes sense, but if we're doing something at a large enough scale, that's really the

ultimate question you're asking - is the private sector more efficient at this than we are. Mr. Porth stated that he could not answer that question.

Mr. Davis stated that if the landfill was in private hands, it would be a tax entity.

Mr. Cullum stated that as he saw it the recommendation was that we catch up since the last time the CPI was readjusted.

Mr Porth stated that the millage was established at 7.5 mills in 1993 and stayed at that amount until 2000. At the last reassessment the millage was indexed and has been indexed since that time; the millage decreased to 6.9, then increased to 7.06 and for next year it was proposed to be 7.2. He added that what was occurring now was they were adjusting it for CPI.

Mr. Cullum asked if impact fees had been pushed aside or was Council still going to entertain the fees.

Mr. Derrick stated that staff was studying the impact fee issue; they made somewhat of a semi-proposal, however, there were some inaccurate numbers and it is expected that a report from staff would be brought back to committee at some point.

Mr. Porth interjected, and you're talking user fee.

Mr. Derrick stated, user fee. Mr. Cullum stated, user fee.

Mr. Cullum asked how a user fee would have a direct impact on the Solid Waste budget.

Mr. Porth stated that if you wanted to replace taxes with a user fee, the numbers that he had seen, the most recent, is that there would be a shift of payments towards residential property owners; the user fee looked at by staff previously was more than the typical \$100,000 house paying this property tax.

Mr. Cullum stated that in looking at the information provided by Charleston County it appears that businesses were paying 50% of the cost. He stated that he thought all along some have been asking for is that if the effort was made to implement user fees, no one wanted the residents, and more importantly, those who receive Homestead Exemption to get hurt or that they stay at the same level.

Mr. Porth stated that there are a lot of variables. He stated that the solid waste millage is an ad valorem tax; so it does not matter whether a business or residential property has any disposal. You are paying based on the value of the property.

Mr. Cullum stated that he understood that we were looking for 1.2 million.

Mr. Jeffcoat interjected saying that that included \$400,000 dollars that we really do not think we

are going to need this year.

Mr. Jeffcoat stated that he and members were providing services that the citizens need. He stated that he did not think that council was approaching this in a proper manner as the \$400,000 was money for future usage.

Mr. Porth stated that according to the engineers, the landfill is at two-thirds capacity.

Mr. Jeffcoat stated that he would like to only see taxes raised only when it is essential. Mr. Jeffcoat indicated that he understood that some of the heavy equipment needed to be replaced but replace some of the money being spent on automobiles for this equipment. He stated that he was not entertaining a tax increase but to evaluate the different departments. He stated that he has heard people say "don't let certain council members know that you use your car for personal use." He stated that going forward he was going to be checking on the different departments regarding the use of automobiles for personal use. He felt that there was money in reserve to use if we had an emergency situation to take care of at the landfill.

Mr. Cullum stated that he also agreed that we needed to look within before looking outward.

A motion was made by Mr. Cullum and seconded by Mr. Owens to defer the user fee until additional information was obtained.

Mr. Davis opened the meeting for discussion.

Mr. Derrick indicated that he was under the impression that the discussion was about 1% not the 2% that were being discussed, therefore, re-evaluate user fees.

Mr. Derrick asked that the motion not be deferred. He stated the reason he had made a motion for the 1 mill rather than the 2 mills was due to the \$1 million cost involved. He agreed there were capital needs for the landfill but if we had to shut down the landfill, it would cost the county \$900,000 for one year of C&D landfill at another location. He stated that about \$350,000 in revenue is generated that C&D has to pay the county for disposal. Mr. Derrick stated that they asked Lexington, West Columbia, and Cayce to fund there own commercial waste. Mr. Derrick reiterated that he would be in favor of the 1 mill increase but be opposed on postponement because we would not be able to implement any user fee this year or next year. He indicated that Charleston County advised that it would take approximately 18 months before the user fee could be enacted.

Mr. Jeffcoat stated that we are going to raise taxes just to "buy a piece of equipment."

Mr. Derrick stated that we have continued to take money out of the fund and not fund it properly.

Mr. Jeffcoat stated that he understood all departments were suppose to be self-supporting. He stated that he did not want to jeopardize the County's Bond; so if we do have balances in the fund to use those first before raising taxes.

Mr. Cullum stated he felt that we could find money in the \$62 million budget to be used to buy the equipment, if it were necessary, rather than raising taxes.

Mr. Owens stated that he would support using the money out of the fund balance should it not jeopardize the bond rating as opposed to a tax increase.

Mr. Davis stated the motion would be to postpone, therefore, not be considered in this year's budget.

In Favor:	Mr. Cullum	Mr. Owens
	Mr. Jeffcoat	Mr. Keisler

Opposed:	Mr. Derrick	Mr. Davis
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Mr. Davis stated that for the public in attendance, it was interesting in that Council was to receive public comment prior to the vote on a tax increase. He stated that Council would not be voting on a tax increase because of the previous motion. He asked Council if it was acceptable to receive public comment; does the public even want to waste their time in discussing.

Several members stated that, they're here, they came.

Mr. Davis commented, it will be an informal discussion. He asked that those who signed up to speak provide their name and each speaker would be allowed three minutes to make comments. Mr. Davis added that Council would not be voting on a tax increase.

Mr. Porth asked for clarification regarding taking the money out of the general fund to pay for capital items to be in this year's budget request for the \$495,000 scraper pan and \$398,000 compactor. Mr. Porth wanted clarification if this was something that Council wanted the staff to put into the budget. He indicated that we did not want to get into the situation of having to do three readings and a public hearing on a large movement of money that we have not put in the budget. Mr. Porth stated if that was the intent of Council then staff needed direction before the third and final reading.

Mr. Davis stated for a decision of that magnitude, it would require a vote.

Mr. Porth asked Mr. Anderson if it could be discussed on June 10, 2003, if so, then the third and final reading would approve it. He stated that if Council decided not to go forward, a separate resolution anytime during the year was still possible. If that be the case, then you would be back to three hearings and a public hearing depending upon the amount.

Mr. Jeffcoat had to be excused.

Public Comment - Solid Waste Management Millage Increase

Jody Lowman 104 Towser Court, Lexington, SC 29073 - Mr. Davis introduced Mr. Jody Lowman.

Mr. Jody Lowman thanked council members for the good job that they were doing on the budget versus Lexington One. Mr. Lowman indicated that Lexington One wanted to propose a 1% sales tax increase. He stated that with the State's layoffs that it was bad times everywhere and we are almost at the point where what we can afford and some of us are past the point of what we can afford as far as paying anymore taxes at this time. Two or three years from now when the economy is in the upswing, it will be a little bit better and a \$4.00 increase would out be much, but right now \$4.00 would break him.

Mr. Lowman stated that another department needed more equipment and council members said, "well if you have to lay officers off, that will solve your car problem." He stated that he has a big problem putting trash ahead of our law enforcement. He indicated that if we could not help buy the new equipment when they come up with their own solution to buy it and council still voted down the transfer of funds that other departments willingly gave up for that, we do not need to be buying graders.

Mr. Lowman stated that the prices he heard quoted were for new prices rather than refurbished. He indicated that a refurbished piece of equipment might not last as long as a new one but if it would last three or four years until we are in a better financial position county wide and taxpayer wide, that is what we need to look at as well.

Mr. Davis introduced Mr. Allen O. Smith.

Mr. Allen O. Smith 114 Happy Ridge Dr., Lexington, S.C. 29073 - Mr. Smith stated that he spoke to the manager at Solid Waste just prior to this evening's meeting regarding the dumpsters not being picked up and people being turned away. Mr. Smith stated that the manager of solid waste indicated it cost \$90 to dump each container; if the contractor goes over the three hours and the dumpsters are full and solid waste personnel calls and the contractor does not come within the three hours, they are charged a \$150 fine. The manager also stated that in the month of April alone, Waste Management was charged \$50,000 in fines for not picking up the trash and keeping the dumpsters emptied. He asked, "where is all the fine money going?" He stated that this has been going on since November. He stated that \$50,000 alone in April and going back to November, he felt that we probably have gotten \$200,000 out of the \$400,000 that we are looking for for this year. He indicated with the way that Waste Management has been with picking up the trash, that there will probably be more money in fines. He felt that this fine money could go toward buying some of the equipment that is needed.

Mr. Davis introduced Mr. Bob Mitchell.

Mr. Bob Mitchell, Pelion, S.C. - Mr. Mitchell stated that all he has heard is that we have a landfill that is two-thirds filled up. What does that mean? That means nothing to me. He wanted to know the date it is going to be filled up; three years, six years. How much is that land going to be worth when it gets filled up. Can we sell it and have another subdivision? He indicated that in order to make a decision on the equipment that additional information was needed. The most important thing he felt was the idea of a user fee. He felt that people coming in and using the facilities should be assessed a small fee to use the facilities if it is not in their tax bill. Again, Mr. Mitchell indicated that he would like to know what happened to the fines and why they were imposed. He stated that council needed to defer and get more facts and figures and also buy used equipment. Do comparison shopping.

Mr. Mitchell indicated that there are expenses in the county that were not needed regarding prisoners in our jail. He indicated that it cost \$50 or more a day to keep them in jail. He stated that we needed to pay their fines and put them to work.

Mr. Davis introduced Ms. Jane Hiller

Ms. Jane Hiller 501 Topknoll Court, Irmo, S.C. - Ms. Hiller stated that she worked for Paper Stock Dealer, which is the recycling facility, that take recyclables from Lexington County. She referred to an article regarding the recycling programs that Paper Stock has been working with in conjunction with Lexington Two and Five schools. She indicated that they are saving thousands of dollars every year with their recycling program. She indicated that she had gotten a call from Edward Medical Supply in Lexington and he had done research and found out that by recycling he is going to lower his bill from \$120 a month to \$40 a month; there is a lot of money to be saved through recycling. Ms. Hiller stated that we needed to lower these costs by good options, i.e , educating people about recycling; having an incentive to recycle. Ms. Hiller stated that we needed to pay for the garbage that we are throwing away whether it be municipal or C&D material and was in favor of a user fee. Look at programs whether it be a pay-as-you-throw program or user fees.

No further comments were received.

There being no further business, the meeting was adjourned.

Respectfully submitted,

Dorothy K. Black
Clerk

George H. Smokey Davis
Chairman